

To the Members of the California State Senate:

I am returning Senate Bill 153 without my signature.

This bill would exempt real property from reassessment due to change of ownership when one co-owner dies, leaving his or her interest in the property to the surviving co-owner.

Existing law already provides that real property transferred between spouses and registered domestic partners, or between parents, grandparents, and children, is exempt from reassessment. Further, co-owners not covered by any of these exemptions have the option of changing a real property title to a joint tenancy, thus ensuring that a reassessment does not occur upon the death of one joint tenant. Given these exemptions and options provided under existing law, this bill is not necessary.

For these reasons, I am returning this bill without my signature.

Sincerely,

Arnold Schwarzenegger